

DEPARTMENT OF HEALTH

NOTICE OF PROPOSED RULEMAKING

The Director of the Department of Health, pursuant to the authority set forth in section 19(a)(3) of the District of Columbia Pharmacist and Pharmacy Regulation Act of 1980, effective September 16, 1980, (D.C. Law 3-98; D.C. Official Code § 47-2885.18.01(a)(3)); the District of Columbia Uniform Controlled Substances Act of 1981, effective August 5, 1981, (D. C. Law 4-29; D.C. Official Code § 48-901.01); Mayor's Order 98-48, dated April 15, 1998, Section 4902 of the Fiscal Year 2002 Budget Support Act of 2001, effective October 3, 2001, (D.C. Law 14-28; D.C. Official Code § 7-731); Section 15 of the District of Columbia Drug Manufacture and Distribution Licensure Act of 1990, effective June 13, 1990, (D.C. Law 8-137; D.C. Official Code § 48-714(a)); and Mayor's Order 98-88, dated May 29, 1998; hereby gives notice of his intent to take final rulemaking action to adopt the following amendments to Chapter 13 (Prescriptions and Distribution) of Title 22 of the District of Columbia Municipal Regulations (DCMR) in not less than thirty (30) days from the date of publication of this notice in the D.C. Register.

The purpose of the amendments is to clarify the requirements for dispensing prescription by mail, to set forth the requirements for delivering prescriptions to patients, to set forth the requirements for dispensing non-controlled substances, to clarify and consolidate the requirements for distribution to another practitioner, supplier or a reverse distributor, and to set forth the requirements for dispensing generically equivalent prescription drugs.

The following rulemaking action is proposed:

CHAPTER 13 (PRESCRIPTIONS AND DISTRIBUTION) is amended as follows:

Section 1308.1 is amended to read as follows:

- 1308.1 The pharmacist filling a written or emergency oral prescription for a controlled substance listed in Schedule II shall affix to the package a label meeting the requirements set forth in § 1912.2 of this title.

Section 1312.1 is amended to read as follows:

- 1312.1 The pharmacist filling a prescription for a controlled dangerous substance listed in Schedule III, IV or V shall affix to the package a label meeting the requirements set forth in § 1912.2 of this title.

Section 1315.1 is amended to read as follows:

- 1315.1 A licensed pharmacist shall supervise the dispensing of prescription drugs or devices by mail.

New sections 1315.3-1315.5 are added to read as follows:

- 1315.3 A pharmacy shall not dispense by mail:
- (a) Antibiotics that have been reconstituted;
 - (b) Prescription drugs generally recognized to be subject to significant deterioration due to heat, cold, fermentation, or prolonged agitation; or
 - (c) Any other drug or device which federal or District law prohibits from dispensing by mail.
- 1315.4 A Prescription drug and device that is dispensed by mail shall be shipped using a secure and traceable means and sent by first class mail, or delivery service unless the purchaser agrees in advance to another means of delivery, and include a mechanism for verification of receipt by the patient.
- 1315.5 Prescription drugs and medical devices dispensed by mail shall be packaged and sent in conformance with the applicable federal and District laws and regulations and standards pertaining to temperature, light, and humidity and in containers that are resistant to breaking, denting, and tampering.

Section 1320 is amended to read as follows:

- 1320 DISTRIBUTION BY A DISPENSER TO ANOTHER PRACTITIONER OR A REVERSE DISTRIBUTOR**
- 1320.1 A practitioner who is authorized to dispense a controlled substance may distribute (without being registered to distribute) a quantity of the substance to:
- (a) A reverse distributor who is registered to receive controlled substances under federal and District law; or
 - (b) Another practitioner for the purpose of general dispensing by the practitioner to his or her patients, provided that the following conditions are satisfied:
 - (1) The practitioner to whom the controlled substance is to be distributed is registered appropriately to dispense that controlled substance;
 - (2) The distribution is recorded by the distributing practitioner and by the receiving practitioner in accordance with 21 CFR § 1304.22(c);
 - (3) If the substance is listed in Schedule I or II, an order form shall be used as required by 21 CFR § 1305; and

- (4) The total number of dosage units of all controlled substances distributed by the practitioner pursuant to this section, during the twelve (12) month period in which the practitioner is registered to dispense, does not exceed five percent (5%) of the total number of dosage units of all controlled substances distributed and dispensed by the practitioner during the twelve (12) month period.

1320.2 If at any time during the twelve (12) month period during which the practitioner is registered to dispense, the practitioner has reason to believe that the total number of dosage units of all controlled substances which will be distributed by him or her to another practitioner pursuant to this section will exceed five percent (5%) of the total number of dosage units of all controlled substances distributed and dispensed by him or her during the twelve (12) month period, the practitioner shall obtain a registration to distribute controlled substances.

Section 1321 is amended to read as follows:

1321 DISTRIBUTION TO SUPPLIER

1321.1 A person lawfully in possession of a controlled substance listed in any schedule may distribute (without being registered to distribute) that substance, to the person from whom he or she obtained it or to the manufacturer of the substance, or, if designated, to the manufacturer's registered agent for accepting returns, provided that a written record is maintained containing the following:

- (a) The date of the transaction;
- (b) The name, form, and quantity of the substance;
- (c) The name, address, and controlled substance registration number(s), if any, of the person making the distribution; and
- (d) The name, address, and controlled substance registration number(s), if known, of the supplier or manufacturer.

1321.2 An order form shall be used in the manner prescribed in 21 CFR § 1305, and shall be maintained as the written record for a controlled substance listed in Schedule I or II which is returned. Any person not required to register pursuant to sections 302(c) or 1007(b)(1) of the Federal Act 21 USC § 822(c) or 957(b)(1) shall be exempt from maintaining the records required by this section.

1321.3 Distributions referred to in this section may be made through a freight forwarding facility operated by the person to whom the controlled substance is being returned provided that prior arrangement has been made for the return and the person making the distribution delivers the controlled substance directly to an agent or

employee of the person to whom the controlled substance is being returned.

Section 1322 is amended to read as follows:

1322 DISTRIBUTION UPON DISCONTINUANCE OR TRANSFER OF BUSINESS

1322.1 A registrant desiring to discontinue business activities altogether or with respect to controlled substances (without transferring such business activities to another person) shall:

- (a) Return for cancellation his or her District of Columbia certificate of registration to the Director;
- (b) Return for cancellation his or her federal registration certificate and any unexecuted order forms in his or her possession to the DEA; and
- (c) Dispose of any controlled substances in his or her possession in accordance with 21 CFR § 1307.21.

1322.2 A registrant desiring to discontinue business activities altogether or with respect to controlled substances (by transferring those business activities to another person) shall submit in person or by registered or certified mail, return receipt requested, to the Director, at least fourteen (14) days before the date of the proposed transfer (unless the director waives this time limitation in individual instances) the following information:

- (a) The name, address, controlled substance registration number(s), and authorized business activity of the registrant discontinuing the business (registrant-transferor);
- (b) The name, address, controlled substance registration number(s), and authorized business activity of the person acquiring the business (registrant-transferee);
- (c) Whether the business activities will be continued at the location registered by the person discontinuing the business, or moved to another location (if the latter, the address of the new location shall be listed); and
- (d) The date on which the transfer of controlled substances will occur.

1322.3 Unless the registrant-transferor is informed by the Director, before the date on which the transfer was stated to occur, that the transfer shall not be permitted to occur, the registrant-transferor may distribute (without being registered to distribute) controlled substances in his or her possession to the registrant-transferee in accordance with the following:

- (a) On the date of transfer of the controlled substances, a complete inventory of all controlled substances being transferred shall be taken in accordance with 21 CFR § 1304.11. This inventory shall serve as the final inventory of the registrant-transferor and the initial inventory of the registrant-transferee, and a copy of the inventory shall be included in the records of each person. It shall not be necessary to file a copy of the inventory with the Director unless requested by the Director. Transfers of any substances listed in Schedule I or II shall require the use of order forms in accordance with CFR § 1305;
- (b) On the date of transfer of the controlled substances, all records required to be kept by the registrant-transferor with reference to the controlled substances being transferred, under 21 CFR § 1304, shall be transferred to the registrant-transferee. Responsibility for the accuracy of the records prior to the date of transfer shall remain with the transferor. Responsibility for the custody and maintenance of the records after the date of the transfer shall be upon the transferee; and
- (c) In the case of registrants required to make reports pursuant to 21 CFR § 1304, a report marked "Final" shall be prepared and submitted by the registrant-transferor showing the disposition of all the controlled substances for which a report is required; no additional report will be required from him or her, if no further transactions involving controlled substances are consummated by him or her. The initial report of the registrant-transferee shall account for transactions beginning with the day next succeeding the date of discontinuance or transfer of business by the transferor-registrant and the substances transferred to him or her shall be reported as recipients in his or her initial report.

Section 1323 is amended to read as follows:

**1323 MANUFACTURE AND DISTRIBUTION OF CONTROLLED
SUBSTANCE SOLUTIONS AND COMPOUNDS BY A PHARMACIST**

- 1323.1 A pharmacist may manufacture (without being registered to manufacture) an aqueous or oleaginous solution or solid dosage form containing a narcotic controlled substance in a proportion that shall not exceed twenty (20%) of the complete solution, compound, or mixture.

A new section 1325 is added to read as follows:

1325 ISSUANCE OF NON-CONTROLLED SUBSTANCES

- 1325.1 A pharmacist shall dispense directly a non-controlled substance, which is a prescription drug as determined under the Federal Food, Drug, and Cosmetic Act, or medical device pursuant to a valid written, oral, facsimile, or electronic

prescription issued in compliance with this chapter by a licensed practitioner authorized to prescribe the substance or medical device.

- 1325.2 A prescription issued by a prescribing practitioner may be communicated to a pharmacist by an employee or agent of the individual practitioner only pursuant to the directions and order of the practitioner, and in conformance with applicable federal and District of Columbia laws and regulations and this chapter.
- 1325.3 An individual practitioner may administer or dispense directly to a patient a non-controlled substance in the course of his or her professional practice without a prescription.
- 1325.4 An institutional practitioner may administer or dispense directly, but not prescribe a non-controlled substance pursuant to:
- (a) A valid written, oral, facsimile, or electronic prescription issued by a licensed individual practitioner; or
 - (b) An order for medication made by an individual practitioner which is dispensed for immediate administration to the patient.
- 1325.5 A prescription order shall be issued or dispensed only for a legitimate medical purpose by a prescribing practitioner acting in the usual course of his or her professional practice.
- 1325.6 The prescribing practitioner and the pharmacist shall be jointly responsible for compliance with this chapter in prescribing and dispensing a prescribed substance or medical device.
- 1325.7 Any person issuing a prescription and any person knowingly filling a prescription which is not in conformity with this chapter shall be subject to the penalties provided for violations of the Act and this chapter.
- 1325.8 The pharmacist filling a prescription for a non-controlled substance shall affix a label to the package meeting the requirements as set forth in § Chapter 19 of this Title.
- 1325.9 The label required in § 1325.8 does not apply to a prescription for a non-controlled substance that is prescribed for administration to a patient who is institutionalized if the following limitations are observed:
- (a) Not more than a thirty (30) day supply or one hundred (100) dosage units, whichever is less, of the prescription is dispensed at one time;
 - (b) The prescription controlled substance is not in the possession of the prior to administration;

- (c) The institution maintains appropriate safeguards and records regarding the proper administration, control, dispensing, and storage of the prescription substance; and
- (d) The system employed by the pharmacist in filling a prescription is adequate to identify the supplier, the product, the patient, and to set forth the directions for use and cautionary statements, if any, contained in the prescription or required by law.

- 1325.10 A prescription for a non-controlled substance shall not be filled if presented for dispensing more than one (1) year after the date on which the prescription was issued.
- 1325.11 A prescription for a non-controlled substance shall not be authorized for more than eleven (11) refills on the original prescription, not to exceed other applicable federal or District laws.
- 1325.12 The total amount dispensed under one prescription order for a non-controlled substance, including refills, shall be limited to a three hundred sixty (360) day supply, not to exceed other applicable federal or District laws.
- 1325.13 Each refilling of a prescription shall be entered on the back of the prescription, or on another appropriate, uniformly maintained, readily retrievable record such as a medication record. The following information must be retrievable by the prescription number:
- (a) The name of the drug, or the name and manufacturer of the drug if it is a substitute or generic drug for the drug actually prescribed or filled initially;
 - (b) The dosage form of the drug dispensed;
 - (c) The date of each refilling and the quantity dispensed;
 - (d) The identity or initials of the dispensing pharmacist for each refill; and
 - (e) The total number of refills for that prescription.
- 1325.14 If the pharmacist merely initials and dates the back of a prescription, he or she shall be deemed to have dispensed a refill for the full face amount of the prescription.
- 1325.15 The prescribing practitioner may authorize additional refills of a non-controlled substance on the original prescription through an oral refill authorization transmitted to the pharmacist provided that the following conditions are met:

- (a) The total quantity authorized, including the amount of the original prescription, does not exceed eleven (11) refills or extend beyond one year from the date of issue of the original prescription;
- (b) The pharmacist obtaining the oral authorization shall record the date, quantity of refill, and number of additional refills authorized, on the reverse of the original prescription and initial the prescription documenting that he or she received the authorization from the prescribing practitioner who issued the original prescription; and
- (c) The quantity of each additional refill authorized is equal to or less than the quantity authorized for the initial filling of the original prescription.

1325.16 Additional quantities of prescription non-controlled substances beyond the eleven (11) refill, one year limitation, shall only be authorized by a prescribing practitioner through the issuance of a new and separate prescription.

1325.17 As an alternative to the procedures provided under § 1325.13 of this chapter, an automated data processing system may be used for the storage and retrieval of refill information for prescription drug orders.

1325.18 The partial filling of a prescription for a non-controlled substance is permissible, if the pharmacist is unable to supply the full quantity called for in the prescription, and he or she makes a notation of the quantity supplied on the face of the written or facsimile prescription (or written record of the oral prescription), provided that:

- (a) Each partial filling is recorded in the same manner as a refilling;
- (b) The total quantity dispensed in all partial fillings does not exceed the total quantity prescribed; and
- (c) No dispensing occurs beyond one year after the date on which the prescription was issued.

1325.19 The pharmacist shall notify the prescribing practitioner if the pharmacist cannot or does not dispense the remaining portion of a partially filled prescription for a prescription non-controlled substance within seventy-two (72) hours of the first partial filling.

A new section 1326 is added to read as follows:

1326 GENERIC SUBSTITUTION

1326.1 A pharmacist may dispense a generically equivalent drug product if:

- (a) The generic product costs the patient less than the prescribed drug product;

- (b) The patient does not refuse the substitution; and
- (c) The prescribing practitioner does not indicate on the written, facsimile, or electronic prescription form that the specific prescribed brand is to be dispensed by marking "DISPENSE AS WRITTEN," "BRAND NECESSARY," "NO SUBSTITUTION," or other similar language.

1326.2 If a prescription is transmitted orally, the prescribing practitioner or the practitioner's authorized agent shall prohibit substitution by specifying "BRAND NECESSARY," "NO SUBSTITUTION," or other similar language.

1326.3 A pharmacist may dispense a dosage form of a drug product different from that prescribed, such as a tablet instead of a capsule or liquid instead of tablets, provided that:

- (a) The pharmacist requests and obtains the patient's consent to the dosage form substitution prior to filling the prescription;
- (b) The pharmacist documents the substitution on the prescription record;
- (c) The pharmacist notifies the practitioner of the dosage form substitution prior to dispensing; and
- (d) The dosage form dispensed contains the identical amount of the active ingredients as the dosage prescribed for the patients, is not an enteric-coated or time release product; and does not alter desired clinical outcomes.

1326.4 Substitution of dosage form shall not include the substitution of a product that has been compounded by the pharmacist unless the pharmacist contacts the practitioner prior to dispensing and obtains permission to dispense the compounded product.

A new section 1327 is added to read as follows:

1327 DELIVERY OF PRESCRIPTION MEDICATION

1327.1 A prescription medication may be delivered to:

- (a) The patient for whom the prescription is prescribed;
- (a) Wherever the patient is located;
- (b) An agent authorized by the patient; or

- (c) The residence of the patient, regardless of whether the patient is present at the residence at the time of delivery, only if the residential address is the same address as on the prescription issued by the practitioner.

- 1327.2 Pharmacies that delivery medications shall implement a mechanism to verify that a patient or authorized agent of the patient has received the delivered medication.

A new section 1328 is added to read as follows:

1328 RETURN OF PRESCRIPTION DRUGS

- 1328.1 In the interest of the public health of the District of Columbia and the possible adverse effects which the resale of drugs may have upon the health of the public, it shall be unlawful for any licensed pharmacist to accept any unused prescription or drug, in whole or part, after it has been dispensed or sold, for the purpose of re-dispensing or resale to any person.

Section 1330 is amended to read as follows:

1330 GENERICALLY EQUIVALENT PRESCRIPTION DRUGS

- 1330.1 The formulary of drug products for the District of Columbia shall be the chemical and generic drugs contained in the publication, "Approved Drug Products with Therapeutic Equivalence Evaluations (also known as the Orange Book)", and its monthly updates. This drug formulary is incorporated by reference as a part of this chapter.
- 1330.2 The publication, "Approved Drug product with Therapeutic Equivalence Evaluations," shall be available for public inspection at the Department of Health.
- 1330.3 A copy of the publication, "Approved Drug Products with Therapeutic Equivalence Evaluations," may be obtained from the Superintendent of Documents, Government Printing Office of the United States, Washington, DC 20402.
- 1330.4 A switch to a therapeutically equivalent prescription drug shall not be made without the prior approval of the prescribing practitioner.
- 1330.5 The approval required pursuant to § 1330.4 may be in the form of a readily retrievable, written, documented policy maintained by the pharmacy which clearly indicates that the provider has intended to approve such therapeutically equivalent substitutions.
- 1330.6 The patient shall be notified of the therapeutic drug interchange prior to, or upon delivery, of the dispensed prescription to the patient. The notification shall

include:

- (a) A description of the change;
- (b) The reason for the change;
- (c) The name and number of the person the patient may contact with questions concerning the change; and
- (d) Instructions to the patient for return of the drug if not wanted by the patient as a result of the change.

1330.7 The pharmacy shall maintain documentation of the patient notification of the therapeutic drug interchange which shall include:

- (a) The date of the notification;
- (b) The method of notification;
- (c) A description of the change; and
- (d) The reason for the change.

1330.8 The documentation required to be maintained pursuant to this section shall be maintained, in hardcopy or electronically, for a period of five (5) years from the date of dispensing. Records which are more than two (2) years old may be stored offsite as long as they can be retrieved within three (3) business days of a request.

Section 1399.1 is amended as follows:

a) The following terms with the ascribed meanings are added as follows:

Automated medication system-- a robotic, computerized, or mechanical device and its components that distributes medications in a licensed health care facility, or prepares medications for final dispensing by a licensed pharmacist to a patient or a patient's agent, and maintains related transaction information.

Board—The District of Columbia Board of Pharmacy established by the District of Columbia Health Occupations Revision of 1985, effective March 25, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1201.01.)

Centralized automated medication system-- an automated medication system located in a pharmacy from which medication is distributed or prepared for final dispensing by a licensed pharmacist for a specific patient.

DEA- The United States Drug Enforcement Administration

Decentralized automated medication system-- an automated medication system that is located outside of the pharmacy in a health care facility with an on-site pharmacy and in which medication is stored in a manner that may be, but need not be, patient specific.

Non-Prescription drug—a drug which may be sold without a prescription and which is labeled for use by the consumer in accordance with the requirements of the laws and rules of the District of Columbia and the federal government and includes both the classifications over-the-counter drugs and restricted drugs.

Restricted drug—means a drug for which a prescription is not required that pursuant to District of Columbia or federal law or regulation must be stored behind the pharmacy counter and which shall not be directly accessible to the public.

All persons desiring to comment on the subject matter of this proposed rulemaking action shall submit written comments, not later than thirty (30) days after the date of publication of this notice in the *D.C. Register*, to the Department of Health, Office of the General Counsel, 825 North Capitol Street, N.E., 4th Floor, Washington, D.C. 20002. Copies of the proposed rules may be obtained between the hours of 9:00 a.m. and 5:00 p.m. at the address listed above.

DISTRICT OF COLUMBIA HOUSING AUTHORITY**NOTICE OF PROPOSED RULEMAKING**

The Board of Commissioners of District of Columbia Housing Authority ("DCHA") hereby gives notice of its intent to amend the following regulation: Chapter 71, District of Columbia Housing Authority (DCHA) Personnel Policy and Procedure Manual, of Title 14 of the DCMR, in not less than thirty (30) days from the date of publication of this notice in the D.C. Register.

The existing regulation prohibits all DCHA employees from buying homes from DCHA's redevelopment portfolio, regardless of their employment position or responsibilities. The amendment will address this disparity and allow the Executive Director to determine any conflicts of interest on a case by case basis.

Amendment: Subsection 7136.2 of Section 7136, Rules and Conditions, Chapter 71, District of Columbia Housing Authority (DCHA) Personnel Policy and Procedure Manual, of Title 14 of the DCMR, is amended to read as follows:

**CHAPTER 71 DISTRICT OF COLUMBIA HOUSING AUTHORITY (DCHA)
PERSONNEL POLICY AND PROCEDURE MANUAL**

7136 RULES AND CONDITIONS

7136.2 No employee shall knowingly have an interest, direct or indirect, in any property included or planned to be included in any project of the Authority; nor knowingly have any interest, direct or indirect, in any contract or proposed contract for materials or services to be used by the Authority except as may be authorized by the Executive Director. If such interest was acquired prior to employment, or if knowledge of such interest is subsequent to employment, the employee shall disclose the same in writing to the Authority. An employee shall not benefit financially by reason of the activities of the Authority with outside parties.

All persons desiring to comment on the subject matter of this rulemaking should file comments in writing no later than thirty (30) days after the publication of this Notice in the D.C. Register. Comments should be filed with the Office of the General Counsel, DCHA, 1133 North Capitol Street, NE, Suite 210, Washington, DC 20002-7599. Copies of these rules may be obtained from DCHA at that same address.

**DISTRICT OF COLUMBIA
DEPARTMENT OF INSURANCE, SECURITIES, AND BANKING**

NOTICE OF FINAL RULEMAKING

The Commissioner of the Department of Insurance, Securities, and Banking ("Commissioner"), pursuant to the authority set forth in sections 12 and 23 of the Health Maintenance Organization Act of 1996 ("Act"), effective April 9, 1997 (D.C. Law 11-235, D.C. Official Code §§ 31-3411 and 31-3422 (2001)), hereby gives notice of adoption of the following amendments to Chapter 31 (Investment Guidelines for Health Maintenance Organizations) of Title 26 (Insurance) of the District of Columbia Municipal Regulations. The purpose of the amendments is to authorize health maintenance organizations to deposit invested securities in clearing corporations. The Notice of Proposed Rulemaking was published in the D.C. Register at 53 DCR 10105 (December 22, 2006). No comments were received.

Chapter 31 (Investment Guidelines for Health Maintenance Organizations) of Title 26 (Insurance) of the District of Columbia Municipal Regulations is amended as follows:

A new section 3104 is added to read as follows:

3104 DEPOSIT OF SECURITIES IN CLEARING CORPORATIONS

- 3104.1 An HMO may deposit or arrange for the deposit of securities held in or purchased for its general account in a clearing corporation.
- 3104.2 When securities are deposited with a clearing corporation, certificates representing securities of the same class of the same issuer may be merged and held in bulk in the name of the nominee of the clearing corporation with any other securities deposited with the clearing corporation by any person, regardless of the ownership of the securities, and certificates representing securities of small denominations may be merged into one or more certificates of larger denominations.
- 3104.3 The records of a custodian through which an HMO holds securities in a clearing corporation shall at all times show that the securities are held for the HMO and shall show the accounts for or in which the securities are held.
- 3104.4 Ownership of, and other interests in, the securities in a clearing corporation may be transferred by bookkeeping entry on the books of the clearing corporation without physical delivery of certificates representing the securities.

Section 3199 is amended to read as follows:

3199 DEFINITIONS

3199.1 "Admitted asset" means the investments authorized or permitted under this chapter, and in addition, includes only the following:

- (a) Petty cash and other cash funds in the HMO's principal or official branch office(s) and under the control of the HMO;
- (b) Immediately withdrawable funds on deposit in demand accounts, in a bank, savings bank, or trust company as defined in subsection 3199.4, or like funds actually in the principal or any official branch office at statement date, and in transit to such bank, savings bank or trust company with authentic deposit credit given prior to the close of business on the fifth (5th) bank working day following the statement date;
- (c) The amount fairly estimated as recoverable on cash deposited in a closed bank, savings bank, or trust company, if qualifying under subsection 3199.4 prior to the suspension of such bank, savings bank or trust company;
- (d) Bills and accounts receivable collateralized by securities of the kind in which the HMO is authorized to invest;
- (e) Premiums receivable from: (1) groups or individuals which are not more than sixty (60) days past due; and (2) the District, the United States, any state of the United States or any political subdivision thereof which is not more than ninety (90) days past due;
- (f) Amounts due under insurance policies or reinsurance arrangements from insurance companies authorized to do business in the District;
- (g) Tax refunds due from the District, the United States, any state of the United States or any political subdivision thereof;
- (h) The interest accrued on mortgage loans conforming to the requirements of this chapter, not exceeding in aggregate amount on an individual loan of one year's total due and accrued interest;
- (i) The rents accrued and owing to the HMO on real and personal property, directly or beneficially owned, not exceeding on each individual property the amount of one year's total due and accrued rent;
- (j) Interest or rents accrued on conditional sales agreements, security interests, chattel mortgages, and real or personal property under lease to other

corporations, all conforming to the provisions of this chapter, and not exceeding on any individual investment, the amount of one year's total due and accrued rent;

- (k) The fixed and required interest due and accrued on bonds and other like evidences of indebtedness, conforming to the provisions of this chapter, and not in default;
- (l) Dividends receivable on shares of stock conforming to the provisions of this chapter, provided that the market price taken for valuation purposes does not include the value of the dividend;
- (m) The interest or dividends due and payable, but not credited, on deposits in banks, savings banks and trust companies, or on accounts with savings and loan associations;
- (n) Interest accrued on secured loans conforming to the provisions of this chapter, not exceeding the amount of one year's interest on any loan;
- (o) Interest accrued on tax anticipation warrants;
- (p) The amortized value of electronic computer or data processing machines or systems purchased for use in connection with the business of the HMO, including software purchased and developed specifically for the HMO's use and purposes;
- (q) Amounts due from affiliates pursuant to management contracts or service agreements which meet the requirements of D.C. Code § 35-3003 to the extent that the affiliate has liquid assets with which to pay the balance and maintain its accounts on a current basis; provided that the aggregate amount due from affiliates may not exceed the lesser of ten percent (10%) of the organization's admitted assets or twenty-five percent (25%) of the HMO's net worth as defined in this chapter. Any amount outstanding more than three (3) months shall be deemed not current. For purpose of this paragraph "affiliates" shall have the same meaning as that term is defined in D.C. Code § 35-3701;
- (r) Intangible assets, including, but not limited to, organization good will and purchased good will, to the extent reported in the most recent annual or quarterly financial statement filed with the Commissioner after April 9, 1997. However, such assets shall be amortized, by the straight-line method, to a value of zero no later than December 31, 1999; provided, however, that no HMO shall be required pursuant to the foregoing provision to amortize such assets in an amount greater than \$ 300,000 in any one year, and in cases where

amortization of such assets by December 31, 1999 would otherwise require amortization of an annual amount in excess of \$ 300,000, the HMO shall be required only to amortize such assets at a rate of \$ 300,000 per year until all such assets have been amortized to a value of zero, unless the continuation of the current amortization schedule would result in an earlier zero value, in which case the current amortization schedule shall be applied;

- (s) Amounts due from patients or enrollees for health care services rendered which are not more than sixty (60) days past due;
- (t) Amounts advanced to providers under contract to the organization for services to be rendered to enrollees pursuant to the contract. Amounts advanced must be for a period of not more than three (3) months and must be based on historical or estimated utilization patterns with the provider and must be reconciled against actual incurred claims at least semi-annually. Amounts due in the aggregate may not exceed fifty percent (50%) of the organization's net worth as defined in subsection 3199.13. Amounts due from a single provider may not exceed the lesser of five percent (5%) of the HMO's admitted assets or ten percent (10%) of the HMO's net worth;
- (u) Cost reimbursement due from the Health Care Financing Administration of the U.S. Department of Health and Human Services, for furnishing covered medicare services to medicare enrollees which are not more than twelve (12) months past due; and
- (v) Prepaid rent or lease payments no greater than three (3) months in advance, on real property used for the administration of the HMO's business or for the delivery of medical care.

3199.2 "Bank, savings bank or trust company" means any bank, savings bank or trust company organized and supervised under the laws of the District, the United States or any state thereof, if the bank, savings bank or trust company has the insurance protection afforded by an agency of the United States.

3199.3 "Business corporation" means a corporation organized for other than not-for-profit purposes.

3199.4 "Business entity" means a sole proprietorship, a corporation, an association, a partnership, a limited partnership, a business trust, or a limited liability company.

3199.5 "Capital" means capital stock paid up, if any, and its use in a provision does not imply that a not for profit HMO without stated capital stock is excluded from the provision. The capital of such an HMO will be zero.

3199.6 "Clearing corporation" means:

- (a) A clearing corporation as defined in section 28:8-102(a)(5) of the District of Columbia Official Code;
- (b) With respect to securities issued by institutions organized or existing under the laws of a foreign country or securities used to meet the deposit requirements pursuant to the laws of a foreign country as a condition of doing business in the foreign country, a corporation that is organized or existing under the laws of a foreign country and that is legally qualified under those laws to effect transactions in securities by computerized book-entry; and
- (c) The Treasury/Reserve Automated Debt Entry System and the Treasury Direct book-entry securities system described in part 357 of title 31 of the U.S. Code of Federal Regulations.

3199.7 "Custodian" means a national bank, state bank, trust company, or broker/dealer that participates in a clearing corporation."

3199.8 "Direct" when used in connection with "obligation" means that the designated obligor shall be primarily liable on the instrument representing the obligation.

3199.9 "District" means the District of Columbia.

3199.10 "Facility" means and includes real estate and any and all forms of tangible personal property and services used constituting an operating unit.

3199.11 "Guaranteed or insured" means that the guarantor or insurer will perform or insure the obligation of the obligator or will purchase the obligation to the extent of the guaranty or insurance.

3199.12 "Mortgage" shall include a trust deed or other lien on real property securing an obligation for the payment of money.

3199.13 "Security" has the same meaning as in section 28:8-102(a)(15) of the District of Columbia Official Code.

3199.14 "Servicer" means a business entity that has a contractual obligation to service a pool of mortgage loans. The service provided shall include, but is not limited to, collection of principal and interest, keeping the accounts current, maintaining or confirming in force hazard insurance and tax status and providing supportive accounting services.

- 3199.15 "Single credit risk" means the direct, guaranteed or insured obligations of any one business entity including affiliates thereof.
- 3199.16 "Surplus" means the amount properly shown as total net worth on a company's balance sheet, plus all voluntary reserves, but not including capital paid-up.
- 3199.17 "Tangible net worth" means the par value of all issued and outstanding capital stock of a corporation (or in the case of shares having no par value, the stated value) and the amounts of all surplus accounts less the sum of:
- (a) Such intangible assets as deferred charges, organization and development expense, discount and expense incurred in securing capital, good will, trademarks, trade names and patents;
 - (b) Leasehold improvements; and
 - (c) Any reserves carried by the corporation and not otherwise deducted from assets.
- 3199.18 "Unconditional" when used in connection with the term "obligation" means that nothing remains to be done or to occur to make the designated obligor liable on the instrument, and that the legal holder shall have the status at least equal to that of general creditor of the obligor."

**THE DISTRICT OF COLUMBIA
LOTTERY AND CHARITABLE GAMES CONTROL BOARD
NOTICE OF PROPOSED RULEMAKING**

The Executive Director of the District of Columbia Lottery and Charitable Games Control Board, pursuant to the authority set forth in D.C. Official Code §3-1306, District of Columbia Financial Responsibility and Management Assistance Authority Order issued September 21, 1996, and Office of the Chief Financial Officer Financial Management Control Order No. 96-22 issued November 18, 1996, hereby gives notice of the adoption of amendments to Chapters 2 and 99 of Title 30 DCMR, "Lottery and Charitable Games." These amendments are necessary to codify agent Minimum Sales Standards. The Executive Director gives notice of her intent to take final rulemaking action to adopt the amendments in not less than thirty (30) days from the date of publication of this notice in the D.C. Register.

AMEND CHAPTER 2. "LOTTERY LICENSES"

Amend subsection 203 by adding subsections §203.8 and §203.9, formerly subsection 205, to read as follows:

- 203.8 On-line lottery terminals shall be assigned only to agents who provide a physically secure location and space which is adequate to serve on-line ticket purchasers efficiently.
- 203.9 The Board may deny the assignment of an on-line terminal in a particular area if it determines that the area is adequately served.

Delete Section 205 Assignment of On-Line Computer Terminals in its entirety and replace with the following:

205 MINIMUM SALES STANDARDS FOR AGENTS

- 205.1 Pursuant to Chapter 2, §201.2 (d) of the D.C. Municipal Regulations, all licensed agents shall demonstrate the ability to maintain a Minimum Sales Standard as determined by the Executive Director.
- 205.2 The Minimum Sales Standard for agents for on-line and instant products shall be \$78,000 per fiscal year.
- 205.3 The Minimum Sales Standard levels may be changed by the Executive Director.

- 205.4 The Minimum Sales Standard levels may be changed by the Executive Director as warranted by costs, economic conditions or other program initiatives and considerations.
- 205.5 Agents performance will be measured at the end of each fiscal year by the Agency.
- 205.6 Agents licensed after June 1, 2007, shall have one (1) complete fiscal year to meet the Minimum Sales Standard.
- 205.7 Agents who do not meet the Minimum Sales Standard shall be notified in writing and be given two (2) quarters of the fiscal year, to meet the \$ 39,000 equivalent Minimum Sales Standard for that same time period.
- 205.8 Failure to meet the equivalent Minimum Sales Standard of \$39,000 after the two (2) quarter period may result in license suspension or revocation.
- 205.9 Pursuant to Chapter 2, §210.1, Agency's written notification shall be sent by certified mail, return receipt requested.
- 205.10 Pursuant to Chapter 2, §210.1 (b), agents may request a hearing regarding their suspension or revocations.

AMEND CHAPTER 99, "DEFINITIONS"

Amend subsection 9900.1 by adding the following:

Minimum Sales Standard – The minimum amount of lottery games sales that each agent must sell in a fiscal year.

All persons desiring to comment on the subject matter of this proposed rulemaking should file comments in writing not later than thirty (30) days from the date of publication of this notice in the Register. Comments should be filed with the Executive Director, District of Columbia Lottery and Charitable Games Control Board, 2101 Martin Luther King, Jr., Avenue, S.E., Washington, D.C. 20020. Copies of these proposed rules may be obtained at the address stated above.

**THE DISTRICT OF COLUMBIA
LOTTERY AND CHARITABLE GAMES CONTROL BOARD**

NOTICE OF PROPOSED RULEMAKING

The Executive Director of the District of Columbia Lottery and Charitable Games Control Board, pursuant to the authority set forth in D.C. Official Code §3-1306, District of Columbia Financial Responsibility and Management Assistance Authority Order issued September 21, 1996, and Office of the Chief Financial Officer Financial Management Control Order No. 96-22 issued November 18, 1996, hereby gives notice of the proposal of amendments to Chapters 5, 9 and 99 of Title 30 DCMR, "Lottery and Charitable Games." These amendments are necessary to introduce the D.C. Millionaire Raffle game that will start on July 1, 2007. The Executive Director gives notice of her intent to take final rulemaking action to adopt the amendments in not less than thirty (30) days from the date of publication of this notice in the D.C. Register.

AMEND CHAPTER 5. "LOTTERY TICKET"

Amend subsection 503.4 by substituting the following:

503.4.1 A ticket for POWERBALL®, Hot Lotto™, DC Daily 6™, Rolling Cash 5™, and all on-line Raffle Tickets shall not be voided or cancelled.

AMEND CHAPTER 9. "DESCRIPTION OF ON-LINE GAMES"

Amend Chapter 9 by deleting sections 915 and 916 in their entirety and replacing with the following:

915 DESCRIPTION OF ON-LINE RAFFLE GAME

915.1 The Agency may offer on-line raffle games.

915.2 The Agency's raffle game shall be called D.C. Millionaire Raffle.

915.3 D.C. Millionaire Raffle rules only apply to the Agency's on-line raffle games and not to the Charitable Gaming Raffle rules referred to in Title 30, Chapter 15 of the D.C. Municipal Rules and Regulations.

915.4 D.C. Millionaire Raffle is an on-line raffle style game played at any agent location that has an on-line terminal. On-line raffle tickets are sold in limited quantities, for a specified limited time.

- 915.5 Each raffle ticket contains a unique serial number or numbers from a specified range. A player purchases the raffle ticket for a chance to win prizes through a random drawing of all purchased raffle tickets.
- 915.6 Agency shall offer 250,000 on-line raffle tickets for the D.C. Millionaire Raffle game. Raffle tickets will be sold from Sunday, July 1, 2007 through Wednesday, August 22, 2007.
- 915.7 The cost of one (1) D.C. Millionaire Raffle game ticket shall be (\$10) ten dollars each or any other price designated by the Executive Director from a price schedule adopted by the Agency.
- 915.8 The player must inform the agent that they want to play the D.C. Millionaire Raffle game. There are no play slips or quick pick selections for the D.C. Millionaire Raffle game.
- 915.9 Each D.C. Millionaire Raffle ticket shall contain a six (6) digit number from 000001 through 250,000 and shall be sold sequentially from the available selection pool. Players purchasing more than one (1) ticket may not receive consecutively numbered tickets because of availability at the time of purchase.
- 915.10 The winning ticket numbers will be determined through a drawing that will be conducted with the Agency's Computerized Drawing System ("CDS"). Such winning ticket numbers shall be selected in accordance with existing Lottery draw procedures.
- 915.11 The order of the ticket numbers drawn by the CDS at the drawing determines the prize level eligibility. The first (1st) ticket number drawn shall be the winner of the first (1st) prize of \$1,000,000 dollars. The next three (3) tickets numbers drawn shall be the winners of the (2nd) prize of \$50,000 each. And the next one hundred (100) ticket numbers drawn shall be the winners of the (3rd) prize of \$1,000 each.
- 915.12 A player wins if the raffle ticket number drawn matches their raffle ticket number exactly. There shall be no alternates drawn for this game.
- 915.13 Unless otherwise specified by the Executive Director, the sale of the D.C. Millionaire Raffle game tickets will be suspended when the 250,000 ticket is sold, or on August 22, 2007.
- 915.14 The Agency reserves the right to reschedule any dates and times, without advance notice, when circumstances warrant. It is anticipated that the drawing will take place on Tuesday, August 28, 2007, but it may be held earlier or later as directed by the Executive Director.

915.15 The player is solely responsible for ensuring that he or she receives a raffle ticket after purchase. The printed D.C. Millionaire Raffle ticket is the only valid proof of a player's purchase and is the only valid receipt for claiming a prize. A ticket subject to the validations requirements of this title shall be the only proof of a wager.

915.16 A player whose ticket does not print as a result of a paper jam or other error cannot receive a reprint of that ticket. The full value of the ticket purchase price must be refunded to the player. The agent must properly document and report the event along with the appropriate paper work to receive credit.

**916 D.C. MILLIONAIRE RAFFLE GAME PRIZE POOL, PRIZE
STRUCTURE AND PROBABILITY OF WINNING**

916.1 The D.C. Millionaire Raffle will offer a total of one hundred and four (104) prizes.

916.2 The prize pool for all prize categories shall consist of fifty percent (50%) of each drawing period sales.

916.3 The D.C. Millionaire Raffle is a raffle game with fixed payout for the prizes which pays prizes based on a sale of 250,000 tickets at (\$10) ten dollars each are as follows:

<u>Number of Winners Per 250,000 Tickets</u>	<u>Win</u>
1	\$1,000,000
3	\$50,000
100	\$1,000

- 916.4 The following table sets forth the probability of winning and the probable distribution of winners in and among each prize category, based upon selling all 250,000 raffle tickets.

Set Prize Amount	Number of Prizes	Overall Odds	Amount Paid	Percentage Of Sales	Percentage Of Payout
\$1,000,000	1	1:250,000	\$1,000,000	40%	80%
\$50,000	3	1: 83,333	\$150,000	6%	12%
\$1,000	100	1: 2,500	\$100,000	4%	8%
Total	104	1: 4,545	\$1,250,000	50%	100%

AMEND CHAPTER 99, "DEFINITIONS"

Amend subsection 9900.1 by adding the following:

On-Line Raffle Game- is a lottery game where a player purchases a raffle ticket generated by the on-line gaming system and are sold in limited quantities, for a specified limited time.

On-Line Raffle Ticket- a computer generated ticket issued by the on-line terminal as proof and receipt for a wager in the On-Line Raffle Game.

All persons desiring to comment on the subject matter of this proposed rulemaking should file comments in writing not later than thirty (30) days from the date of publication of this notice in the Register. Comments should be filed with the Executive Director, District of Columbia Lottery and Charitable Games Control Board, 2101 Martin Luther King, Jr., Avenue, S.E., Washington, D.C. 20020. Copies of these proposed rules may be obtained at the address stated above.

DISTRICT OF COLUMBIA DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED RULEMAKING

The Director of the Department of Transportation, pursuant to the authority of sections 3(b), 5(4)(A), 6(b), and 7 of the Department of Transportation Establishment Act of 2002, effective May 21, 2002 (D.C. Law 14-137; D.C. Official Code §§ 50-921.02(b), 50-921.04(4)(A), 50-921.05(b), and 50-921.06), Mayor's Order 2006-148 (October 26, 2006), Section 604 of the Fiscal Year 1997 Budget Support Act of 1996, effective April 9, 1996 (D.C. Law 11-198, D.C. Official Code § 10-1141.04) and Mayor's Order 96-175 (December 9, 1996), hereby gives notice of the intent to amend Title 24, DCMR Chapter 33, Public Right-Of-Way Occupancy Permits by adding a new section. The proposed amendments add a new Section 3312 entitled "Mobile Storage Containers," which establishes the general provisions governing the issuance of permits to occupy public space to mobile storage container providers; and amend Section 3399 entitled "Definitions".

The purpose of this rulemaking is to regulate use and placement of mobile storage containers in the District of Columbia and to require annual permits for the placement of mobile storage containers on public space with individual per use notice requirements and fees.

Final rulemaking action to adopt these amendments shall be taken in not less than thirty (30) days from the date of publication of the notice in the D.C. Register.

TITLE 24 DCMR, Chapter 33, PUBLIC RIGHT-OF-WAY OCCUPANCY PERMITS is amended as follows:

By adding a new section 3312 to read as follows:

3312 MOBILE STORAGE CONTAINERS

3312.1 No person shall place in the public right-of-way a mobile storage container without a public right-of-way permit issued by the Director of the District of Columbia Department of Transportation.

3312.2 A mobile storage container provider shall submit to the Director of the District of Columbia Department of Transportation an application for an annual public right-of-way permit together with a non-refundable one hundred dollars (\$100) application fee. With the application, the mobile storage container provider shall also

provide proof of insurance as outlined in 3312.3 and 3312.4 and a copy of its current, valid business license.

3312.3 A permittee shall maintain throughout the term of the permit an insurance policy or policies covering all operations of the permittee's mobile storage container business. Failure to maintain the required insurance shall be a violation of the terms of the permit.

3312.4 Each permittee shall obtain a public liability insurance policy made out in the name of, and for the sole benefit of the District of Columbia, a municipal corporation, and its officers and employees, covering all use of public space. The insurance policy shall contain coverage in the following amounts:

\$500,000.00	Each individual
\$1,000,000.00	Each accident
\$500,000.00	Property damage

3312.5 No mobile storage container shall exceed the following dimensions:

- (a) Width of eight feet;
- (b) Length of twelve feet; and
- (c) Height of eight feet

3312.6 No person shall leave any mobile storage container in the public right-of-way for longer than seven (7) days.

3312.7 The permittee shall file with the Director of the District of Columbia Department of Transportation at least 72 hours prior to placing the mobile storage container on public space a location notice.

3312.8 The location notice shall include the following information:

- (a) The address of the building in front of which the mobile storage container is located;
- (b) Name, address, business phone number and emergency phone number of the permittee;
- (c) Name, address, and phone number of the user of the mobile storage container; and

- (d) The dates the mobile storage container will be placed in front of and picked up from the location

3312.9 The Director of the District of Columbia Department of Transportation may revoke a public right-of-way permit for the following reasons:

- (a) The permittee violates a provision of this section or the public right-of-way permit;
- (b) The permittee fails to pay the applicable fees; or
- (c) Public safety and welfare.

3312.10 The public right-of-way fee for occupancy of public space by a mobile storage container is twenty-five dollars (\$25) each day for each mobile storage container on public space. This fee shall be billed to the permittee on a quarterly basis and is due within 30 days of receipt of invoice.

3312.11 The permittee shall do the following:

- (a) Post on the outside of the mobile storage container a copy of the public right-of-way permit and a copy of the location notice for that container.
- (b) Post Emergency No Parking/Reserved Parking signs at the proposed location of the mobile storage container at least 72 hours prior to placing the mobile storage container at the location.
- (c) Place each mobile storage container in the parking lane of the roadway parallel with the edge of the roadway in front of the property owned or leased by the person renting the mobile storage container.
- (d) Mark the exterior, traffic facing side of the mobile storage container with reflective material.
- (e) Keep the mobile storage container completely covered and sealed during transport.
- (f) Keep the exterior of the mobile storage container clean and free of graffiti.

3312.12 Only one mobile storage container may be placed at any property at a time.

- 3312.13 No permittee shall place a mobile storage container in the following manner:
- (a) Beyond, atop, or partially resting upon the curb.
 - (b) In the tree box area.
 - (c) On the sidewalk or across the sidewalk.
 - (d) In violation of rush hour, street sweeping, building entrance or any other parking restrictions, except the residential permit parking restrictions.

Section 3399 is amended as follows:

Add the following new definitions:

Mobile Storage Container - a moveable container that is temporarily placed on the public right-of-way and is used for short-term storage of items, including but not limited to, clothing, equipment, goods, household or office fixtures or furnishings, materials and merchandise.

Permittee – a person who is issued a public right-of-way permit by the Director of the District of Columbia Department of Transportation that authorizes the person to occupy public space.

All persons interested in commenting on the subject matter in this proposed rulemaking action may file comments in writing, not later than thirty (30) days after the publication of this notice in the D.C. Register, with Ann Simpson-Mason, Associate Director, District of Columbia Department of Transportation, 2000 14th Street, N.W., 5th Floor, Washington, D.C. 20009. Comments may also be sent electronically to publicspace.committee@dc.gov. Copies of this proposal are available, at cost, by writing to the above address and are also available electronically on the Department web site at ddot.dc.gov.

**ZONING COMMISSION FOR THE DISTRICT OF COLUMBIA
NOTICE OF PROPOSED RULEMAKING**

Z.C. Case No. 06-47

(Text Amendment – 11 DCMR)

**Minimum Lot Area and Lot Occupancy Requirements for
Apartment Houses in the R-4 Zone District**

The Zoning Commission for the District of Columbia, pursuant to its authority under § 1 of the Zoning Act of 1938, approved June 20, 1938 (52 Stat. 797, as amended; D.C. Official Code § 6-641.01 (2001 ed.)), hereby gives notice of its intent to amend Chapters 3 and 4 of the Zoning Regulations (Title 11 of the District of Columbia Municipal Regulations (DCMR)). The proposed amendments clarify that the number of apartment units in existing apartment houses located in the R-4 Zone District may not be increased unless there is 900 square feet of lot area for each unit (whether new or existing). The proposed amendments also impose a lot occupancy limit for buildings or structures converted to apartment houses in the R-4 Zone District. The requested amendments amend §§ 330.5(c), 401.3, and 403.2 and adds a new § 401.11 of the Zoning Regulations.

Final rulemaking action shall be taken in not less than thirty (30) days from the date of publication of this notice in the D.C. Register

The following rulemaking action is proposed:

Title 11 DCMR is amended as follows. New text is shown in **bold** and underline and deleted text is shown with ~~strikethrough~~:

A. Chapter 3, R-2, R-3, R-4, AND R-5 RESIDENCE DISTRICT USE REGULATIONS, subsection 330.5 (c), is amended to read as follows:

330.5 The following uses shall be permitted as a matter of right in an R-4 District:

....

(c) The conversion of a building or other structure existing before May 12, 1958, to an apartment house as limited by §§ ~~350.4(e)~~ and 401.3 **and 403.2**;

B. Chapter 4, RESIDENCE DISTRICT: HEIGHT, AREA AND DENSITY REGULATIONS, is amended as follows:

1. The table in § 401.3 is amended to read as follows:

NOTICE OF PROPOSED RULEMAKING

Z.C. CASE NO. 06-47

PAGE NO. 2

ZONE DISTRICT AND STRUCTURE	MINIMUM LOT AREA (square feet)	MINIMUM WIDTH OF LOT (feet)
R-4 Conversion <u>of a building or structure</u> to <u>an</u> apartment house	900/apartment or bachelor apartment	None prescribed

2. The table in § 403.2 is amended to read as follows:

ZONE DISTRICT AND STRUCTURE	MAXIMUM PERCENTAGE OF LOT OCCUPANCY
R-4 Conversion to multiple dwelling <u>Conversion of a building or structure to an apartment house</u>	None prescribed <u>Greater of 60% or the lot occupancy as of the date of conversion</u>

3. Add a new subsection 401.11 to read as follows:

401.11 An apartment house in an R-4 District, whether converted from a building or structure pursuant to § 330.5 or existing before May 12, 1958, may not be renovated or expanded so as to increase the number of dwelling units unless there is 900 square feet of lot area for each unit, both existing and new.

All persons desiring to comment on the subject matter of this proposed rulemaking action should file comments in writing no later than thirty (30) days after the date of publication of this notice in the D.C. Register. Comments should be filed with Sharon Schellin, the Secretary of the Zoning Commission, Office of Zoning, Suite 200, 441 4th Street, N.W., Washington, D.C., 20001. Please include the number of this particular case and your daytime telephone number. Copies of this proposed rulemaking may be obtained at cost by writing to the above address. **FOR FURTHER INFORMATION, YOU MAY CONTACT THE OFFICE OF ZONING AT (202) 727-6311.**

**ZONING COMMISSION FOR THE DISTRICT OF COLUMBIA
NOTICE OF PROPOSED RULEMAKING**

Z.C. Case No. 07-03

(Text Amendment – 11 DCMR)

(Minimum lot dimensions in Residential Districts)

The Zoning Commission for the District of Columbia, pursuant to its authority under § 1 of the Zoning Act of 1938, approved June 20, 1938 (52 Stat. 797, as amended; D.C. Official Code § 6-641.01 (2001 ed.)), hereby gives notice of its intent to amend § 401 of the Zoning Regulations (Title 11 DCMR). The proposed amendment clarifies § 401 by stating explicitly that a building on a lot made substandard by the enactment of the 1958 Regulations may not be converted to a use requiring a greater lot area or width than is on the building's lot.

Final rulemaking action shall be taken in not less than thirty (30) days from the date of publication of this notice in the D.C. Register

The following rulemaking action is proposed:

Title 11 DCMR is amended as follows. Added wording is shown **bolded** and underlined:

1. Chapter 4, RESIDENCE DISTRICTS: HEIGHT, AREA AND DENSITY REGULATIONS, § 401.1 is amended to read as follows:

401.1 Except as provided in chapters 20 through 25 of this title **and in the second sentence of this subsection**, in the case of a building located, on May 12, 1958, on a lot with a lot area or lot width, or both, less than that prescribed in § 401.3 for the district in which it is located, the building may not be enlarged or replaced by a new building unless it complies with all other provisions of this title. **Notwithstanding the above, the lot area requirements of § 401.3 must be met when the building is being converted to a use that would require more lot area or lot width than is on the building's lot.**

All persons desiring to comment on the subject matter of this proposed rulemaking action should file comments in writing no later than thirty (30) days after the date of publication of this notice in the D.C. Register. Comments should be filed with Sharon Schellin, Secretary to the Zoning Commission, Office of Zoning, 441 4th Street, N.W., Suite 210-S, Washington, D.C. 20001. Copies of this proposed rulemaking action may be obtained at cost by writing to the above address. **FOR FURTHER INFORMATION, YOU MAY CONTACT THE OFFICE OF ZONING AT (202) 727-6311.**